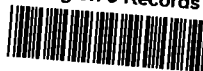


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CHEMETCO

EXHIBIT 7

Chemetco is a major producer of high purity copper and certain other non-ferrous metals and alloys derived for the most part from recyclable materials (scraps and residues).

The company originated June 9, 1969, as an Illinois corporation, Chemico Metals Corporation, and was merged into a Delaware corporation of the same name March 23, 1970. Modern administrative and manufacturing facilities located near the small town of Hartford, Illinois, in the northern segment of the St. Louis (Mo.-Ill.) metropolitan area were under construction for two years.

Utilizing a unique and proprietary pyrometallurgical and electrolytic process, the company began production of copper in cathode form in March, 1972, and the next year changed its name to Chemetco. It now employs approximately 200 persons.

While Chemetco has capabilities for producing copper cathodes from copper oxide ores or precipitates, its major function is the recycling, or secondary processing, of copper-bearing scrap and manufacturing residues. The operation entails purchasing raw materials from throughout the United States and Canada and sales of finished products in those two countries and Europe.

Purchases from a wide variety of sources and sales to merchants, brokers, and consumers are based on Commodities Exchange (Comex) price quotations. Chemetco's "CME" copper cathode is registered on both Comex (New York) and the London Metal Exchange (C.M.E.).

Virtually every Chemetco operation, from trading transactions to safety performance and inventories, is computer-programmed and monitored for optimal efficiency.

Copper-bearing raw materials arrive at the 41-acre Chemetco site by truck, rail, and barge from hundreds of sources and locations. Much of it has originated in electrical or electronic equipment or cable, but a certain percentage is composed of such items as skimmings, slags, turnings, grindings, and other residues from foundries and factories, auto parts and building components.

Each lot is weighed, then held separately on concrete pavement until a careful analysis of samplings has been completed and settlements based on the results are made with the seller. Copper and other metallic contents are determined precisely by chemical, spectrographic and other means in the analytical laboratory.

Chemetco's three 70-ton gas-fired furnaces and electrolytic cell facilities have a capacity of 40,000 tons of copper cathodes per year. The furnaces are among the most capable in the industry as to the variety of raw materials handled, and at the same time are believed to be the most fuel-efficient.

A premix consisting of the copper-bearing raw material and other ingredients is smelted in one of the furnaces in the first step of the process, producing black copper (containing small amounts of lead, tin and zinc). The black copper

is further refined in the same type furnace utilizing blown oxygen, producing 99 per cent copper along with zinc oxide and a refining slag that is rich in lead and tin and contains some nickel.

The zinc oxide is extracted from furnace flue gases by a highly efficient pollution-control scrubber system which simultaneously cleans the gases. (The Chemetco plant is in compliance with all the standards of the Illinois Environmental Protection Agency.)

The slag itself is then refined in one of the furnaces producing black copper that is fed back to the second-stage furnace plus lead and tin extracted as a wrought solder alloy.

Copper emerging from the black copper refining step at Chemetco already is 99 per cent pure; it is transferred to the anode furnace, from which it is cast in molds.

The resulting 740-pound anodes are transferred mechanically to the electrolytic refining department. Immersed in the chemical bath of the electrolytic cells, they sacrifice their copper content to the gradually growing cathodes which become the highly purified primary product of Chemetco.

As the copper ions migrate from anode to cathode during the electrolytic process, the impurities settle to the bottom of the cell tanks. The material is retrieved, filtered, packed and shipped to refiners of those metals.

In a patented, proprietary process unlike any other operating presently in the United States, 99 per cent pure copper anodes are transformed into 99.98 per cent pure cathodes in Chemetco's expansive electrolytic cell room.

Process water for the electrolyte is filtered and purified in the company's own system. High-voltage alternating current from utility power lines is converted by solid-state rectifiers to the high-density reverse direct current necessary for cell operation.

The combined Chemetco copper smelting and electrolytic refining systems resulted from 15 years of intensive research and development. The over-all process has the flexibility needed to treat economically the broadest range of copper-bearing materials and efficiencies of both fuel consumption and output selectivity enabling it to operate with minimum loss of copper and to attain maximum recovery of other useful products.

Very little "waste" accrues from the Chemetco recycling operation. Even slag, transported in molten form to storage areas, is later graded and screened, becoming a useful material for thermal insulation, sandblasting aggregate, road-bed fill and other applications.

The slag thus becomes a Chemetco end product along with high-purity copper cathodes, solder alloy, zinc oxide, copper and nickel sulphates. In addition, some copper anodes and alloys are sold.

- 3 -

Chemetco's central geographic location, just 20 minutes from downtown St. Louis or Lambert St. Louis International Airport, is unexcelled for convenient transportation.

Even more importantly, access to shipping facilities is outstanding. The Illinois Terminal Railroad traverses the site and connects with 18 trunkline railroads serving the area. Year-round shipping via the inland waterways with access to foreign ports by way of Great Lakes or Gulf is available through two Mississippi River ports within five miles of the plant. Finally, Chemetco is located near four interstate highways and St. Louis' 300 common carriers.